

MISSOURI ETHICS COMMISSION

PO Box 1370

Jefferson City, MO 65102

www.mec.mo.gov

(573) 751-2020 / (800) 392-8660

James Klahr

Executive Director

February 5, 2018

Michael Matthes, City Manager
City of Columbia
PO Box 6015
701 E Broadway 2nd Fl
Columbia MO 65205

Re: File No. 17-0067-I

Dear Mr. Matthes:

The Missouri Ethics Commission considered the complaint filed against you and the City of Columbia at its February 2, 2018 meeting. The complaint alleged you used public funds to advocate for a ballot measure in violation of Section 115.646, RSMo.

Staff investigation of this complaint determined that, in August 2017, the Columbia City Council voted to put Proposition 1 on the November 7, 2017 ballot. Proposition 1 asked voters to decide whether to impose a city use tax on certain out-of-state purchases. Following that August 2017 vote, the city council distributed a flyer regarding the use tax and also included information about the use tax in an October city newsletter as well as on the city's website.

Section 115.646, RSMo, provides:

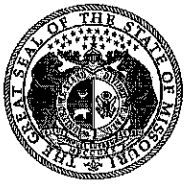
No contribution or expenditure of public funds shall be made directly by any officer, employee or agent of any political subdivision to advocate, support, or oppose any ballot measure or candidate for public office. This section shall not be construed to prohibit any public official of a political subdivision from making public appearances or from issuing press releases concerning any such ballot measure.

In reviewing the city's material which was distributed to voters regarding Proposition 1, staff determined that the material provided information regarding the upcoming use tax but did not use specific words like "support" when describing the tax. The city did include the following language in both its flyer and the newsletter:

"Why is this important to the City of Columbia's residents?"

The Use Tax levels the playing field for local businesses who are required to pay the local Sales Tax. With no local Use Tax in place, consumers have an incentive to purchase items from out-of-state vendors instead of buying locally. This costs the city local jobs and tax revenue because millions of dollars are sent out of our state and local economy."

Based on the context of the above excerpt as just one part of the entirety of the city's material relating to Proposition 1, the Commission finds no reasonable grounds exist to support a violation and is dismissing the complaint. The Commission cautions political subdivisions to



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avoid language such as "leveling the playing field" or similar terms that could be construed by voters as indirectly advocating for a use tax measure.

Sincerely,

A handwritten signature in cursive script, appearing to read "James Klahr".

James Klahr

Executive Director